

COMMISSION ON HIGHER EDUCATION

EDUCATIONAL OPPORTUNITY FUND:

ADMINISTRATIVE PROCEDURES AND POLICIES

Proposed Readoption with Amendments: N.J.A.C. 9A:11

Authorized By: Educational Opportunity Fund Board of Directors, James S. Avery, Interim
Chairperson

Authority: N.J.S.A. 18A:71-28 et seq. and 18A:71-33 through 36.

Calendar Reference: See Summary below for explanation of exception to calendar requirement.

Proposal Number: PRN 2008-

Submit written comments by January 2, 2009 to:

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The agency proposal follows:

Summary

The Educational Opportunity Fund (EOF) program provides students from educationally disadvantaged backgrounds with financial aid and other support services while attending participating New Jersey colleges and universities. The program is a collaborative effort. Under the general supervision of the Commission on Higher Education, the EOF Board of Directors administers the program and the participating institutions directly serve students.

Working with participating institutions, the EOF Board maintains a Statewide system to identify and recruit potential college students from backgrounds of historical poverty; develops eligibility criteria for EOF financial assistance based on students' income and their potential for success in college; establishes procedures to determine the amount of the academic year grants according to the total financial need of each student; and advises on the development, organization, and coordination of a wide range of educational support and enrichment activities. The EOF Board is also responsible for rules for the C. Clyde Ferguson Law Scholarship and Martin Luther King Physician-Dentist Scholarship programs.

The EOF rules (N.J.A.C. 9A:11) are scheduled to expire March 25, 2009, pursuant to N.J.S.A. 52:14B-5.1. To assist with the five-year, "sunset" review required by Executive Order No. 66 (1978), the EOF Board of Directors established a taskforce to conduct a comprehensive examination of the rules. The taskforce was comprised of EOF directors from each sector of the higher education community and representatives of the Educational Opportunity Professional Association of New Jersey. As a result of the taskforce's review, the EOF Board proposes amendments to clarify and reorganize provisions in the EOF rules.

Subchapter 1 contains the chapter authority, definition and scope, and the EOF mission statement. N.J.A.C. 9A:11-1.2 provides definitions for four terms previously used in the rules without having been defined; they include “ability to benefit”, “EOF transfer student”, “Federal poverty guidelines”, and “senior institution”. Two new definitions are also provided for “EOF equity index” and “historical poverty code”. The definition of “allocation” has been refined to acknowledge that it is based upon the EOF program’s annual appropriation to support campus programs and student grants, and also adds two scholarships identified in the rules, but not mentioned as funding categories. The “Article III” definition has been modified to mirror recent changes in how the EOF Board allocates funds in this category, and includes other terminology used to refer to this grant. The definition of “Article IV” adds that it is also referred to as supplementary opportunity grants. In addition, the definitions of “costs” and “opportunity grant” are recommended for deletion because the terminology is no longer used. At N.J.A.C. 9A:11-1.3 the terms “academic and educational advisement” are proposed as amendments to the mission statement because they are key program services used to improve an EOF student’s chance of academic success. Proposed amendments at N.J.A.C. 9A:11-1.4(a) reflect the language used in higher education to identify students who require additional academic preparation before they can pursue college courses that offer credit toward a degree. Also added are all of the funding sources used to support EOF students in their pursuit of a degree. At N.J.A.C. 9A:11-1.4(b) the words “recruitment” and “practices” are proposed as additions to reflect the desire to have the entire process used to identify EOF students free from discrimination.

A change in the title of Subchapter 2 to “Undergraduate EOF Academic and Financial Eligibility” is proposed to indicate that this subchapter discusses the academic as well as financial eligibility criteria for participation in the EOF program. At N.J.A.C. 9A:11-2.1 the

change proposed revises a citation to reflect its proposed new codification. A reference to N.J.A.C. 9A:11-4.6 “Criteria for admission” is proposed at N.J.A.C. 9A:11-2.2(c) to emphasize that institutions are required to develop criteria for admission to the EOF program that are consistent with the EOF mission, scope, purpose, student eligibility and student transfer procedures. The change proposed at N.J.A.C. 9A:11-2.2(d)3 revises a citation to reflect its proposed new codification. The phrase “at an approved institution with an open enrollment admissions policy” is recommended for deletion at N.J.A.C. 9A:11-2.2(e)2 because current data indicates that eligible student applicants at institutions that do not have open admissions policies are demonstrating evidence of an educational background that requires a need for improved basic skills, academic support or additional preparation for their desired degree program.

The proposed amendment at N.J.A.C. 9A:11-2.3 “Dependent/independent student defined” calls for recodification of this item as N.J.A.C. 9A:11-2.4 and what is currently 9A:11-2.4 “Financial eligibility for initial Article III student grants” is proposed for recodification as 9A:11-2.3. The sequence of these subchapters is planned for adjustment to bring a more logical order to the subject matter being regulated. Having student eligibility followed by financial eligibility achieves that purpose.

Language proposed at what will become the new N.J.A.C. 9A:11-2.3(a) provides the source of the federal poverty guidelines. At N.J.A.C. 9A:11-2.3(a)1 the changes proposed revise citations to reflect their proposed new codifications. New language proposed in N.J.A.C. 9A:11-2.3(e)1 through 5 will render applicants between the ages of 16 and 22 years of age automatically financially eligible for the EOF program if they meet the criteria used by the New Jersey Division of Children and Families to determine eligibility for the New Jersey Foster Care Scholars program. This language was added to make it possible for participants in New Jersey’s

Foster Care Scholarship program to automatically demonstrate financial eligibility for the EOF program, as they will not need to include their parent's, foster parent's and/or adoptive parent's income, assets or other information for purposes of determining EOF income eligibility. At N.J.A.C. 9A:11-2.3(f) through (k) the changes proposed revise citations to reflect their proposed new codifications.

At N.J.A.C. 9A:11-2.5(a) the term "of initial enrollment" is proposed to be replaced by language which explains more thoroughly that verification is required when a student receives their first (initial) EOF student grant. Verification is important to ensure that the state's resources are going to those applicants who actually meet the EOF eligibility criteria. It can be a labor intensive process that has the potential to delay the awarding of a student's financial aid grant, and is only required for first-time EOF grant recipients. Thus an institution only has to certify that a student meets the spirit and intent of EOF once upon entry into the program. All EOF student grant recipients are annually required to complete a financial aid form approved by the Higher Education Student Assistance Authority (HESAA). Those renewal (continuing) EOF students who according to financial aid needs analysis no longer demonstrate a need for financial aid will not be awarded EOF Article III undergraduate grants. Language requiring students to sign the acceptance of their financial aid package at N.J.A.C 9A:11-2.5(c) is recommended for deletion. Students may receive several modifications of their financial aid packages throughout the academic year, as institutional financial aid officers are constantly making revisions as new and/or more complete information becomes available. Requiring students to sign the acceptance of their financial aid package delays applying their financial aid funds toward their institutional bills and the processing of refunds to students for their travel and other personal expenses. At N.J.A.C. 9A:11-2.5(d) two changes are proposed. The first corrects the title of the referenced

citation (N.J.A.C. 9A:9-2.4 “Eligibility and repayments”) to the General Provisions for Tuition Aid Grant and Garden State Scholarship programs. The second recommends that the language requiring students to apply for a Federal Pell Grant and New Jersey Tuition Aid Grant (TAG) be deleted, as it is redundant. Students who wish to receive need-based financial aid must demonstrate financial need through submission of a financial aid form approved by HESAA. HESAA administers the New Jersey Tuition Aid Grant program and has consistently worked to streamline the overall student financial aid process which has resulted in the selection of a form that also allows students to apply for federal financial aid.

Amendments proposed at N.J.A.C. 9A:11-2.6(b) revises a citation to reflect its proposed new codification. Language at N.J.A.C. 9A:11-2.6(d) proposes changing the heading that labels the amount of the “annual maximum” award for full and part-time Article III undergraduate grants to “academic year”, as it better describes how the Article III undergraduate grant is disbursed to students. At N.J.A.C. 9A:11-2.8(a) new language proposed seeks to clarify and emphasize the eligibility criteria and the period of time an undergraduate student can retain eligibility for EOF. Clarification is provided at N.J.A.C. 9A:11-2.8(b) with a proposed amendment that discusses how the cumulative semesters of EOF payment should be applied for students pursuing an associate degree and a baccalaureate degree. An amendment is proposed at N.J.A.C. 9A:11-2.8(d) to emphasize that the provision of 14 semesters of Article III payment for students in an established five-year undergraduate program is to earn a baccalaureate degree. Language to amplify that EOF undergraduate Article III grant funding ceases once students earn their baccalaureate degree is proposed for addition at N.J.A.C. 9A:11-2.8(f). At N.J.A.C. 9A:11-2.8(g) through (h) the changes proposed revise citations to reflect their proposed new

codifications. The new proposed N.J.A.C. 9A:11-2.8(h) adds the word “baccalaureate” to clarify when giving an initial EOF undergraduate grant is prohibited.

Language originally found at 9A:11 -2.14 “Discontinuance of Article III student grants” is proposed as an amendment at N.J.A.C. 9A:11-2.12(a) which will require EOF students seeking to transfer to contact the EOF director at the institution where they intend to transfer. This is a more logical location for the language, since the primary subject is on transfer students.

Additionally, language is revised to emphasize that students must meet the admission requirements and any conditions the receiving/transfer institution may require. At N.J.A.C. 9A:11-2.12(b) the change proposed revises a citation to reflect its proposed new codification. New language is added at N.J.A.C. 9A:11-2.12(c) to emphasize that Article III undergraduate EOF grant funding cannot be guaranteed to renewal students who transfer to another EOF program. EOF student grant funds are finite and campus programs must operate within their annual Article III academic year student grant allocation. It is important to note that Article III grants do not follow students; rather each institution is annually awarded an Article III allocation that will allow them to serve a specific (limited) number of eligible students. At N.J.A.C. 9A:11-2.13(b)2 the change proposed revises a citation to reflect its proposed new codification.

Language is proposed for deletion at N.J.A.C. 9A:11-2.14(b) because it is redundant. The only students eligible to receive Article III student grant funds are those who are making satisfactory academic progress toward their degree. The deletion of this language results in amendments proposed at N.J.A.C. 9A:11-2.14(c) through (e) to revise citations to reflect their new proposed codifications. Language at N.J.A.C. 9A:11-2.14(f) is proposed for deletion because it is planned for relocation to N.J.A.C. 9A:11-2.12 which addresses the rules on transfer students.

Subchapter 3 addresses the criteria for determining financial eligibility for graduate Article III student grants. Language changes proposed at N.J.A.C. 9A:11-3.2(b) and (c)2 are to revise citations to indicate their new proposed codifications. Amendments proposed at N.J.A.C. 9A:11-3.4(b) are also to revise citations to reflect their new proposed codifications. At N.J.A.C. 9A:11-3.4(d) amendments are offered to change the headings that label the amount of the “annual maximum” award ranges for full and part-time Article III graduate grants to “academic year”, as it better describes how the Article III graduate grant is disbursed to students.

Subchapter 4 describes the general organization and operation of campus-based (institutional) programs, which receive EOF Article IV funds to provide educational support and enrichment for eligible students. Amendments proposed for N.J.A.C. 9A:11-4.1 replace the term “remedial” with the terms “developmental” and “supplemental” to more adequately describe the program support services campus EOF programs are expected to provide to EOF eligible students, and adds the term, “and related student support services”. Changes recommended at N.J.A.C. 9A:11-4.2 call for eliminating language that simply requests Article IV funds to comply with the provisions of the subchapter and replacing it with language that outlines program services are structured to promote student retention and graduation. .

Language formerly found in 9A:11-4.8(b) “Eligible program support components” calling for participating institutions to provide administrative support for the efficient operation of the campus EOF program is proposed as N.J.A.C. 9A:11-4.4(a) “Institutional administration”. The relocation illustrates the importance of institutional support for the EOF program. Proposed changes are also recommended for N.J.A.C. 9A:11-4.4(a) through (f) to revise citations to reflect their new proposed codifications. The term ”full policy oversight of” is proposed for replacement with the term “sufficient authority for” at the new proposed N.J.A.C. 9A:11-4.4(c)

to amplify that in order to be successful, have the capability to carry out all of its functions, and best serve students campus EOF programs work in concert with several other student services, administrative and faculty offices at their institutions, and must have the authority to carry out certain key functions. The new language recognizes however, that authority for institutional policies and many important functions and areas rest outside of an EOF administrator's authority or location in the organization. An amendment proposed for what will become the new N.J.A.C. 9A:11-4.4(c)3. will add the word "program" to clarify that it refers to the EOF program staff's selection, training and supervision. A change proposed at what will become the new N.J.A.C. 9A:11-4.4(c)4. adds the phrase "program students' academic progress" which gives a broader definition of what encompasses academic progress, and deletes the language that listed some of the components of students' academic progress. At what will become the new N.J.A.C. 9A:11-4.4(c)9. "assessment" is added to the list of functions the EOF director is responsible for, to emphasize that the need for a realistic appraisal of all program components is essential to the overall operation of the EOF program. The deletion of the phrase "with an open admissions policy" proposed at what will become the new N.J.A.C. 9A:11-4.4(g) clarifies that it is essential for EOF directors/administrators regardless of the type of institution to be fully involved in the EOF admissions process and the awarding of EOF Article III student grants.

At N.J.A.C. 9A:11-4.5(b) the word "full-time" is added to the first sentence to illuminate that the provision to have participating institutions enroll ten percent of the fall entering freshmen class through the EOF program is focused on students enrolling full-time. In the last sentence the word "fall" is proposed for addition to clarify that institutions are given consideration in the calculation of their fall first-time full-time enrollment if they counseled a student who intended to enroll full-time to pursue a part-time course load. An amendment is

added at N.J.A.C. 9A:11-4.5(c) to revise the citation to reflect its new proposed codification. Amendments proposed at N.J.A.C. 9A:11-4.6(a) are to revise the citations to reflect their new proposed codification and adds a reference to the summer program rule N.J.A.C. 9A:11-5.4(b) governing student eligibility, which will permit institutions to use an evaluation of students' performance in the pre-freshman summer program as an admission criterion. Proposed for deletion is N.J.A.C. 9A:11-4.8(b) due to its planned relocation to N.J.A.C. 9A:11-4.4(a). Amendments proposed at N.J.A.C. 9A:11-4.8(c) through (d) are to revise the citations to reflect their new proposed codifications. Language proposed at what will become the new N.J.A.C. 9A:11-4.8(b) will permit institutions to structure activities that acknowledge students "academic success and leadership development" as eligible program components. To clarify the role EOF advisors/counselors play in providing academic advisement to students an amendment is proposed at what will become the new N.J.A.C. 9A:11-4.8(b)4. Proposed amendments added at what will become the new N.J.A.C. 9A:11-4.8(b)9. encourage institutions to design programs that also foster "civic engagement", and "social responsibility" to the list of eligible student leadership development activities. Amendments proposed at what will become the new N.J.A.C. 9A:11-4.8(c) revise the citations to reflect their new proposed codifications. The word preparation is proposed as an amendment to the existing language at N.J.A.C. 9A:11-4.9(a)1. to signal that experimental projects that increase a student's preparation to pursue a career where disadvantaged populations are underrepresented is permissible.

Subchapter 5 outlines the rules governing the general organization and operation of the summer program. The word "transition" is proposed to replace the word "matriculation" at N.J.A.C. 9A:11-5.1, as transition is a more accurate description of what occurs for initial students during the summer program. An amendment is proposed at N.J.A.C. 9A:11-5.4(b) that

the pre-freshman summer program can be used to assess students' preparation and readiness for collegiate study and institutions have the flexibility to use the pre-freshman summer program as a criterion for admission, and their eligibility for academic year EOF program services and the student grant.

Subchapter 6 describes the operational procedures for both Article III student grants and Article IV program support services, including procedures for student notification and payment, appeals of ineligibility, appropriate uses of EOF funds, institutional matching funds, recordkeeping and data collection. Several amendments are proposed at N.J.A.C. 9A:11-6.1 to outline the renewal application process as it actually occurs, as well as streamline and reduce the amount of paperwork institutions are required to submit. At N.J.A.C. 9A:11-6.1(a) the amendments proposed eliminate a standard application form and replace it with notification from the EOF executive director of the availability of funding and the policies and procedures that will be used to distribute the anticipated appropriation. Language changes proposed for N.J.A.C. 9A:11-6.1(b) deletes the language currently found there and proposes that a significant amount of the text be moved to what is proposed to become N.J.A.C. 9A:11-6.1(d). The new language proposed for (b) calls for the funding allocation for the next fiscal year to be based on the Governor's annual funding recommendation to the legislature. At N.J.A.C. 9A:11-6.1(c) the proposed amendments is actually a recodification of language currently found at N.J.A.C. 9A:11-6.1(e). For N.J.A.C. 9A:11-6.1(d), the language currently there is proposed for deletion and replaced with proposed amended language that is similar to what is currently found at N.J.A.C. 9A:11-6.1(b). Proposed language revisions for N.J.A.C. 9A:11-6.1(e) call for the deletion and redirection of that language to N.J.A.C. 9A:11-6.1(c). Amendments proposed at N.J.A.C. 9A:11-6.1(f) through (h) are to revise the citations to reflect their new proposed codifications.

Proposed amendments are recommended for incorporation at the new N.J.A.C. 9A:11-6.1(g) to indicate that the level of state support in the annual EOF program contract is based on the final EOF funding level(s) contained in the annual state appropriation act. New language is added at proposed amendment N.J.A.C. 9A:11-6.1(h) that outlines the priority order for the distribution of academic year EOF Article III student grants.

For the purpose of clarification the word “of” is added at N.J.A.C. 9A:11-6.2(a)3.

Proposed amendments adding the words “required”, and “materials and” at N.J.A.C. 9A:11-6.3(a) are to improve the description of what participating institutions can include as part of their educational budget. Often students enrolled in degree programs such as nursing, culinary arts, art and design are required to purchase educational materials and supplies beyond the traditional notebooks and pens to comply with their curricular requirements which exceed what an institution normally considers an appropriate expense for students in more traditional degree programs. At N.J.A.C. 9A:11-6.10(a)3 the words “program costs” are proposed to be replaced with the phrase “academic year Article IV allocation” to more correctly detail what the total program costs include. Amendments are proposed to illuminate that the restrictions on fringe benefits for EOF staff at public senior institutions differ from the requirements for EOF staff at community colleges and independent institutions. The language in N.J.A.C.9A:11-6.10(a)6. refers to the public senior institutions and the language at N.J.A.C.9A:11-6.10(a)7. refers to the community colleges and independent institutions. Amendments proposed at N.J.A.C. 9A:11-6.10(a)7. through 6.10(a)10. are to revise the citations to reflect their new proposed codifications. The words “lobbying” and “contributions” are added as amendments to what will become N.J.A.C. 9A:11-6.10(a)10. to further define prohibited political activities that EOF funds cannot be used for. Language proposed for deletion at N.J.A.C. 9A:11-6.13(b) eliminates the phrase “a

personal interview with” and proposes replacement with the phrases “an assessment of” and “overall academic performance” to achieve a more comprehensive approach to the EOF program staff’s assessment of students’ needs, specifically addressing why student are on academic probation, and to finding the support program most appropriate to helping the students return to good academic standing.

At N.J.A.C. 9A:11-6.14(a)7 an amendment is proposed to include “ability to benefit” as one of the data collection items since it is also one of the initial eligibility requirements.

Amendments proposed at N.J.A.C. 9A:11-6.14(a)9. and 6.14(a)10. are to delete and add the word “and”, respectively.. New language is proposed at N.J.A.C. 9A:11-6.14(a)11.which calls for the collection of each student’s “historical poverty code” as a data collection item since it is an eligibility criterion required to process requests for undergraduate Article III student grants.

The words “benchmarks of” are proposed for deletion at N.J.A.C. 9A:11-6.15(b), because the EOF Board is using the EOF equity index for that purpose. At N.J.A.C. 9A:11-6.15(c)2v.”EOF equity index” is proposed as new language because it is one of the indices used to determine the effectiveness of campus EOF programs. This proposal for inclusion of new language at 9A:11-6.15(c)2v will result in proposed amendments to delete the word “and” at N.J.A.C. 9A:11-

6.15(c)2iii through (c)2iv. At N.J.A.C. 9A:11-6.18, the words “EOF director” are proposed for replacement with “EOF administrator/director” to maintain consistency with how the person is referred to throughout the regulations. An amendment is proposed at N.J.A.C. 9A:11-6.20(a) that will replace the word “shall” with “should” to relax the requirement that programs establish a Program Advisory Board. The EOF program has been in existence since 1968 and in its infancy the program advisory board (which was then known as the community advisory board) was an essential tool in helping the program recruit students and work with the institutions to

develop many of the academic and student support services that are now considered commonplace at colleges and universities. This change will provide campus programs with a greater degree of flexibility in this area.

Virtually identical Subchapters 7 and 8 concern the C. Clyde Ferguson Law Scholarship and the Martin Luther King Physician-Dentist Scholarship programs, respectively. N.J.A.C. 9A:11-7.1 and 8.1 concern student eligibility criteria. The proposed amendments in both Subchapters at (a)2i and (a)2iii are to revise the citations to reflect their new proposed codifications.

As the Commission has provided a 60-day comment period on this notice of proposal, this notice is exempted from the rulemaking calendar requirement, pursuant to N.J.A.C. 1:30-3.3(a)5.

Social Impact

EOF students come from every county in New Jersey. They have generally lived and attended high school in neighborhoods characterized by depressed economic conditions, substandard educational services, and unequal opportunities. Approximately 60 percent of total EOF enrollment comes from the State's most distressed municipalities (communities that have been designated "labor surplus areas" by the New Jersey Department of Labor and the U.S. Bureau of Labor Statistics). Fifty percent of the enrollment comes from school districts designated by the New Jersey Department of Education as "Abbott districts" or district factor group "A" or "B" school districts. The vast majority of EOF students spend their elementary and secondary school years in public school districts that by all objective measures fail to provide the level of educational preparation required for success in the more demanding curricula and

challenging majors of our colleges and universities. Without rules for the EOF program, the approximately 13,500 students enrolled in 52 EOF programs Statewide would lack the financial aid that helps offset non-tuition costs of attending New Jersey colleges and universities. The academic support services available to these students would also decrease significantly. The proposed readoption with amendments will not change the social impact of the rules.

Economic Impact

Funds for EOF student grants are derived from State appropriations, while the State and participating institutions share the costs of EOF program support services. The total FY 2009 State appropriation for EOF (for student grants, program support services and the King and Ferguson Scholarship) is \$41,189,000. Approximately \$13.4 million of the total is for academic year program support, and each participating institution must match its share of this amount. During the 2007-08 academic year, the EOF program had more than 13,500 students (unduplicated headcount) in 52 programs at 42 New Jersey colleges and universities.

The rules proposed for readoption aim to ensure that the EOF program continues to serve individuals who have been burdened by long-term economic deprivation and a lack of access to high-quality educational preparation. Fifty percent of EOF enrollment comes from the 31 school districts characterized by both low student achievement and concentrated poverty (Abbott districts). The median annual family income of EOF students for a family of four in fall 2007 was \$27,985 compared with a 2006 state median family income of \$82,244. Almost all EOF students are first-generation college students and 40% come from single-female-headed households.

Since State appropriations provide funds for EOF student grants, program enrollment is limited by the size of the annual appropriation; more than 13,500 students participated during 2007-2008. The proposed new rules have no direct impact on the total number of students awarded grants or the total cost of the program.

Federal Standards Statement

The rules proposed for readoption with amendments are not subject to a Federal standards analysis under Executive Order No. 27 (1994) because EOF was established by New Jersey legislation, is wholly supported by State appropriations, and is not subject to any Federal requirement or standards.

Jobs Impact

The proposed amendments will not result in the generation or loss of any jobs.

Agriculture Industry Impact

The proposed amendments have no impact on the agriculture industry.

Housing Affordability Impact Statement

The proposed amendments will not result in the creation of housing units or influence the cost of housing.

Regulatory Flexibility Statement

A regulatory flexibility analysis is not required because the rules proposed for readoption with amendments do not impose reporting requirements on small businesses as defined by the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq. The readopted rules with amendments pertain strictly to public and publicly funded independent colleges and universities in New Jersey, none of which qualify as a small business.

Smart Growth Impact

The proposed new rules will have no impact on the achievement of smart growth and the implementation of the State Development and Redevelopment Plan.

Full text of the proposed amendments follows (additions indicated in boldface thus; deletions indicated in brackets [thus]):

SUBCHAPTER1. AUTHORITY, MISSION AND SCOPE

9A:11-1.2 Definitions

“Ability to benefit” means the provisions under which a student who has neither a high school diploma nor its recognized equivalent may become eligible to receive Federal Title IV, Higher Education Assistance funds and the procedures and conditions under which the Federal Secretary of Education determines that a state or institutional process demonstrates that students pursuing that course of action will benefit from the education and training being offered them.

...

“Allocation” means [any of the following fiscal year funding categories]the distribution of the annual appropriation to support campus programs and student grants approved by the EOF Board of Directors in the following funding categories: Summer Article III undergraduate, Summer Article III graduate, Summer Article IV, Academic Year Article III undergraduate, Academic Year Article III graduate, Academic Year Article IV, [and] any special project funding during the summer or academic year from either Article III or Article IV, Ferguson and King Scholarships.

“Article III” means a New Jersey Educational Opportunity Fund undergraduate or graduate student financial aid grant awarded to an eligible student for the academic year or summer session, or funds used to support the summer program. It is also referred to as Opportunity Grants.

“Article IV” means a New Jersey Educational Opportunity Fund academic year or summer grant allocated to a participating New Jersey college or university to provide program support services to EOF-eligible students. It is also referred to as Supplemental Opportunity Grants.

...

["Costs" means total educational expenses as defined by the institution.]

...

"EOF equity index" means the ratio of the EOF cohort graduation rate to the overall institutional cohort graduation rate.

"EOF transfer student" means an undergraduate student who received an initial Article III student grant while earning their Associate degree and wishes to pursue a Baccalaureate degree at a New Jersey institution that participates in the EOF program, or a student who received an initial Article III student grant and wishes to complete their degree at a New Jersey institution other than the one where they received their initial Article III student grant.

"Federal poverty guidelines" means the family poverty thresholds established annually by the United States Department of Health and Human Services.

...

"Historical poverty code" means the code assigned to the six criteria students can use to demonstrate a history of poverty, that must be entered into the New Jersey student grant payment system to process an institution's request for an initial academic year Article III undergraduate EOF student grant.

...

["Opportunity grant" means an EOF Article III undergraduate or graduate academic year or summer student grant.]

...

"Senior institution" means a baccalaureate (or higher) degree-granting college or university.

...

9A:11-1.3 EOF mission statement

The New Jersey Educational Opportunity Fund contributes to the development of a college-educated public that reflects the diversity of New Jersey. In partnership with New Jersey colleges and universities, the Fund provides access to higher education and support for highly motivated students who exhibit the potential for success, but who come from families/communities disadvantaged by low income and the lack of access to the quality educational preparation necessary to attend college. Through its partnership with participating institutions of higher education, the Fund seeks to maximize educational opportunities for EOF students by providing direct program services designed to promote persistence through degree completion. Accordingly, EOF supports innovative educational initiatives, supplemental instruction, support services, academic and educational advisement, and leadership development activities to improve the student's chance of academic success. In concert with other sources of student financial assistance, the Fund also attempts to make college affordable for those students who find the costs of higher education an impediment to access and student persistence.

9A:11-1.4 Scope

(a) The rules in this chapter govern the awarding of Article III undergraduate EOF grants to students for study leading to approved certificates, associate degrees, and/or baccalaureate degrees, and the awarding of Article III graduate EOF grants and Ferguson and King Scholarships for study leading to approved master's, doctoral and/or professional degrees. The rules also govern the development, administration, and maintenance of institutional

programs of[remedial] developmental and supplemental education for EOF students supported in part through Article III and Article IV funding in the summer and academic year.

(b) Institutions that participate in the EOF program shall not discriminate in their recruitment and admissions[decisions] practices based on race, age, creed, religion, marital status, national origin, color, gender, sexual orientation or disability.

SUBCHAPTER2: UNDERGRADUATE EOF ACADEMIC AND FINANCIAL ELIGIBILITY

9A:11-2.1 Scope

This subchapter governs the awarding of Article III undergraduate EOF grants. The Article III undergraduate EOF grant is not a financial aid entitlement. Institutions select students for participation based on the eligibility criteria in N.J.A.C. 9A:11-2.2 and [2.4]2.3.

9A:11-2.2 Student eligibility

(a)-(b) (No change.)

(c) The admitting institution determines eligibility for EOF pursuant to N.J.A.C. 9A:11-4.6 Criteria for admission, at the time of a student's initial application. The institution, in the context of its own selectivity, shall make and document a broad assessment of the student's motivation and talent (latent, as well as demonstrated) based on interviews, recommendations, high school records, and other requisite application materials.

(d) To be initially eligible for an EOF undergraduate Article III grant, a student must demonstrate that he or she:

1.-2. (No change.)

3. Meets the financial criteria established in N.J.A.C. 9A:11-2.[4]3;

4.-5. (No change.)

(e) In addition, an eligible student shall exhibit evidence of the potential to succeed in college, but:

1. (No change.)

2. Shall have an educational background that indicates a need for improved basic skills, additional academic support, or additional preparation for the applicant's desired degree program [, at an approved institution with an open enrollment admissions policy].

(f)-(h) (No change.)

Recodify existing 9A:11-[2.3]2.4 (No change in text.)

(a)-(b) (No change.)

Recodify existing 9A:11-[2.4]2.3 (No change in text.)

(a) The EOF Income Eligibility Scale is based on 200% of the annual Federal poverty guideline (that is, doubled) as published annually by the United States Department of Health and Human Services in the Federal Register. This benchmark was established to reflect an eligible target population consistent with the intent of the original legislation. The EOF Executive Director shall inform institutions of annual adjustments to the EOF Income Eligibility Scale each summer, and the gross income limits set forth in this subsection shall be updated through a notice of administrative changes published in the New Jersey Register.

1. Except provided in (d), [(f)] (e), (g)[and], (h), and (i) below, dependent and independent students are financially eligible for an initial Article III student grant if their gross household income does not exceed the applicable amounts set forth in the EOF Income Eligibility Scale, as follows.

Academic Year 2009-10

Applicants with a	Gross Income
<u>Household size of</u>	<u>Not to Exceed</u>
1	\$20,800
2	28,000
3	35,200
4	42,400
5	49,600
6	56,800
7	64,000
8	71,200

2.-3. (No change.)

(b)-(d) (No change.)

(e) An applicant who falls between the ages of 16 to 22, who is or was in a New Jersey Division of Youth and Family Services paid placement, and who meets one of the criteria listed below, automatically satisfies the financial eligibility criteria stated in (a) above:

(1) an individual who has been in the care and custody of the New Jersey Division of Youth and Family Services, in an out of home placement, for a period of nine months or more following the individual's sixteenth birthday; or

(2) an individual who has been in the care and custody of the New Jersey Division of Youth and Family Services after the age of 14 for a cumulative 18 months; or

(3) an individual who is or has been residing in a transitional living program for youth or in supportive housing for three months or more and the facility or program receives payment pursuant to the New Jersey Homeless Youth Act or the Federal "Runaway and Homeless Youth Act" Title II of Pub. L. 93-415 (42 U.S.C.A. s.5701 et seq.); or

(4) an individual adopted through the New Jersey Division of Youth and Family Services after the age of 12 and who is in a subsidized adoption at the time of application; or

(5) an individual adopted through the New Jersey Division of Youth and Family Services after the age of 16.

[(e)] (f) (No change in text.)

[(f)](g) The campus EOF administrator/director shall approve students in cases such as those cited in [(e)](f) above after review and recommendation by the financial aid office. The campus EOF administrator/director, in cooperation with the director of financial aid, shall have

the discretion to use professional judgment to assess whether an applicant or the applicant's family meets the spirit and intent of the Fund.

[(g)](h)(No change in text.)

[(h)](i) Institutions shall obtain permission from the EOF Executive Director before exceeding the 10 percent discretionary, over-income waiver set forth in [(g)](h) above.

[(i)](j) The records of applicants deemed eligible in accordance with the provisions of [(f),] (g), [and](h), and (i) above shall contain sufficient documentation to support the use of professional judgment, as stated in [(f)](g) above, and the discretionary criteria, as stated in [(g)](h) above.

[(j)](k) Notwithstanding provisions of [(f) and](g) and (h) above, priority shall be given to students whose incomes are within the limits of (a) above.

9A:11-2.5 Verification of financial eligibility

(a) At the time [of initial enrollment]that a student receives an initial EOF student grant, the institution shall verify the income and assets of all undergraduate EOF grant applicants' parent(s) or guardian(s) or of applicants and spouses, as appropriate. The purpose of the verification is to ensure that EOF funds are granted only to students who meet the eligibility criteria in N.J.A.C. 9A:11-2.2 and [2.4]2.3.

(b) (No change.).

(c) In all cases, files shall contain completed forms indicating all relevant data for determining initial eligibility, such as household size, annual income, and sources of income and assets: for dependent students, of parent(s) or guardian(s), for independent students, of the

student or student and spouse, as appropriate. A student's record shall also include the application for financial aid[, the student's signed acceptance of the financial aid package,] and proof that the student received the grant.

(d) To receive an Article III undergraduate grant, all students shall comply with the Tuition Aid Grant and Garden State Scholarship programs' rule at N.J.A.C. 9A:9-2.4, Eligibility and repayments. [All applicants shall also indicate that they applied for a Federal Pell Grant and a New Jersey Tuition Aid Grant.]The Board annually establishes deadline dates for submitting the form specified in N.J.A.C. 9A:9-2.4 which are a year in advance, to ensure that the Fund's expenditures are maintained within available appropriations and to provide for timely disbursement of payments to participating institutions. Students shall submit the form specified in N.J.A.C. 9A:9-2.4 in accordance with the Board's annual deadlines.

(e) (No change.)

9A:11-2.6 Grant amount

(a) (No change.)

(b) The institution's EOF and financial aid directors shall determine the exact amount of each student's grant. In determining need and awarding Article III grants, priority shall be given first to students who meet the educational criteria of N.J.A.C. 9A:11-2.2 and the income criteria of N.J.A.C. 9A:11-[2.4]2.3(a)[and], (d), and (e) followed by students admitted under N.J.A.C. 9A:11-[2.4 (f),]2.3(g), [and](h), and (i).

(c) (No change.)

(d) The Board shall annually review the State grant amounts for EOF students and make adjustments, if necessary. The minimum and maximum semester and maximum academic year award ranges for full- and part-time Article III undergraduate student grants for each type of institution follows.

	Semester	Semester	[Annual] <u>Academic</u>
			<u>Year</u>
Undergraduate	<u>Minimum</u>	<u>Maximum</u>	<u>Maximum</u>
Community Colleges			
Full-time	\$100.00	\$ 525.00	\$1,050.00
Part-time:			
6-8 credits	\$100.00	\$ 263.00	\$ 526.00
9-11 credits	\$100.00	\$ 394.00	\$ 788.00
State Colleges			
<u>Commuter</u>			
Full-time	\$100.00	\$ 575.00	\$ 1,150.00
Part-time:			
6-8 credits	\$100.00	\$ 288.00	\$ 576.00
9-11 credits	\$100.00	\$ 431.00	\$ 862.00

Residential

Full-time	\$100.00	\$ 700.00	\$1,400.00
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Part-time:

6-8 credits	\$100.00	\$ 427.00	\$ 854.00
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9-11 credits	\$100.00	\$ 560.00	\$ 1,120.00
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Rutgers, NJIT, UMDNJ-SHRP

Commuter

Full-time	\$100.00	\$ 575.00	\$ 1,150.00
-----------	----------	-----------	-------------

Part-time:

6-8 credits	\$100.00	\$ 288.00	\$ 576.00
-------------	----------	-----------	-----------

9-11 credits	\$100.00	\$ 431.00	\$ 862.00
--------------	----------	-----------	-----------

Residential

Full-time	\$100.00	\$ 700.00	\$1,400.00
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Part-time:

6-8 credits	\$100.00	\$ 427.00	\$ 854.00
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9-11 credits	\$100.00	\$ 560.00	\$ 1,120.00
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Independent Colleges

Full-time	\$100.00	1,250.00	\$2,500.00
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Part-time:

6-8 credits	\$100.00	\$ 625.00	\$1,250.00
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9-11 credits	\$100.00	\$ 938.00	\$1,876.00
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9A:11-2.8 Duration of student eligibility

(a) Students deemed eligible at the time of their initial [enrollment]EOF Article III academic year student grant payment shall retain eligibility for program support services and Article III student grant funds as long as they continue to:

1.-5. (No change.)

(b) The number of semesters of Article III grant payment is cumulative; EOF students shall be eligible for no more than 12 semesters of payment over the course of their entire undergraduate careers, except as noted in (d) below. When a funded EOF student transfers from one participating institution to another, the semesters of payment at the second institution are added to those at the first.[and] [t]The cumulative total of semesters of payment shall not exceed 8 for pursuit of an associate degree, and 12 for pursuit of a baccalaureate degree.

(c) (No change.)

(d) Students in an established five-year undergraduate course of study at a senior institution shall be eligible for an additional two semesters of payment beyond the maximum of 12 upon a formal written request from the institution and approval by the EOF Executive

Director. Under no circumstances shall a student receive more than 14 semesters of the Article III undergraduate grant[s] to earn a baccalaureate degree.

(e) (No change.)

(f) Once a student earns a baccalaureate degree they have exhausted their semesters of undergraduate EOF Article III grant eligibility.

~~[(f)]~~(g) (No change in text.)

~~[(g)]~~(h)In no case shall an initial Article III undergraduate grant be given for a student's last two semesters of baccalaureate study.

~~[(h)]~~(i) (No change in text.)

9A:11-2.12 Transfer of eligible students to another participating institution

(a) Students who wish to complete a degree at an institution other than the one where they received their initial Article III undergraduate student grant shall contact the EOF director at the institution they wish to attend to inform them of their intent to transfer, and must meet all of the receiving institution's [criteria for the admission of transfer students]transfer admission requirements and conditions, as well as the receiving institution's criteria for participation in the EOF program.

(b) Once deemed initially eligible for an Article III undergraduate grant at the sending institution, a student is presumed to have met the historical poverty eligibility criteria (as outlined in N.J.A.C. 9A:11-2.2(b) and the financial eligibility criteria as (as outlined in N.J.A.C. 9A:11-2.~~[4]~~3) for a renewal EOF grant at the receiving institution.

(c) Article III undergraduate student grants cannot be guaranteed to renewal students who transfer to another participating institution in New Jersey.

9A:11-2.13 Academic progress

(a) (No change.)

(b) For purposes of determining continued eligibility for an Article III undergraduate student grant, the Board shall recognize the same standards of academic performance and progress that an institution adopts to determine eligibility for Federal student financial aid programs under Title IV of the Higher Education Act of 1965, as amended, and its implementing regulations, 20 U.S.C 1091(d) and 34 C.F.R. § 668.84 (“satisfactory progress”), as well as the following provisions.

1. (No change.)

2. The summer program is a critical component of the EOF program.

Courses that an EOF student schedules and completes using EOF Article III undergraduate summer funds, as well as academic year courses, shall be considered in determining the student’s academic progress. However, as stipulated at N.J.A.C. 9A:11-2.8 ([h]i), Article III undergraduate summer grants are not considered a semester of payment.

3. (No change.)

(c)-(f) (No change.)

9A:11-2.14 Discontinuance of Article III student grants

(a) (No change.)

(b) [The Article III student grant shall be discontinued for any student who has been academically dismissed and not reinstated in good standing by institutional officials.

(c)]The Article III student grant shall be discontinued for any student who is not matriculated in a full-time or Board-approved part-time program of study or for any student who is not enrolled. The institution shall repay the amount of any grants the institution has received for that student.

[(d)](c)(No change in text.)

[(e)](d)(No change in text.).

[(f) Article III grants cannot be guaranteed to renewal students who transfer to another participating institution in New Jersey. Students are advised to contact the EOF director at the receiving institution of their intent to transfer.]

SUBCHAPTER 3: GRADUATE EOF FINANCIAL ELIGIBILITY

9A:11-3.2 Student Eligibility

(a) (No change.)

(b) Students who received Article III EOF grants as undergraduates shall be given priority consideration for Article III graduate grants. These students are presumed to have met the financial eligibility criteria (as outlined in N.J.A.C. 9A:11-[2.4] 2.3) for graduate EOF as long as they continue to demonstrate financial need.

(c) To be initially eligible for an EOF Article III graduate student grant, a student must demonstrate that he or she:

1. (No change.)

2. Meets the financial criteria established in N.J.A.C. 9A:11-[2.4] 2.3,

“Financial eligibility for initial Article III student grants”;

3.-4. (No change.)

(d) (f) (No change.)

9A:11-3.4 Grant Amounts

(a) (No change.)

(b) The institution’s EOF and financial aid directors shall determine the exact amount of each student’s grant. In determining need and awarding Article III graduate grants, priority shall be given first to students who received an undergraduate EOF grant, followed by students who did not receive such an award but who now meet the educational criteria of N.J.A.C. 9A:11-2.2 and the income criteria of N.J.A.C. 9A:11-[2.4] 2.3(a) (d), and (e) followed by students admitted under N.J.A.C. 9A:11-[2.4(f).]2.3(g)

(c) (No change.)

(d) The Board shall annually review the State grant amounts for EOF students and make adjustments, if necessary. The minimum and maximum semester and maximum academic year award ranges for Article III graduate grants for each type of institution follows.

Semester

Semester

[Annual] Academic Year

Graduate	<u>Minimum</u>	<u>Maximum</u>	<u>Maximum</u>
State Colleges and Universities	\$100.00	\$1,150.00	\$2,300.00
Independent	100.00	1,425.00	2,850.00
Rutgers, NJIT	100.00	1,425.00	2,850.00
UMDNJ	100.00	2,175.00	4,350.00

(e) (No change.)

SUBCHAPTER 4: EOF PROGRAM SUPPORT SERVICES

9A:11-4.1 Scope

This subchapter governs the development and maintenance of institutional programs of[remedial] developmental and [supplementary]supplemental education, and related student support services for EOF-eligible students.

9A:11-4.2 Institutional eligibility

(a) Each undergraduate institution in New Jersey that enrolls students who receive Article III grants under the EOF program shall submit an annual plan that[-requests Article IV program support funds in accordance with the provisions of this subchapter] outlines how program services are structured to promote student retention and graduation.

(b) (No change.)

9A:11-4.4 Institutional administration

(a) Each participating institution shall provide administrative support for the efficient operation of the campus EOF program.

[(a)](b)(No change in text.)

[(b)](c)Each participating institution shall provide for the campus EOF administrator/director to have [full policy oversight of] sufficient authority for the following:

1.-2. (No change.)

3. Selection, training, and supervision of program staff;

4. Monitoring[of student progress in basic skills, developmental skills, and English as second language (ESL) courses] program students' academic progress;

5.-8. (No change.)

9. Assessment and [E]evaluation of all program components;

10.-11. (No change.)

[(c)](d)No change in text.)

[(d)](e)(No change in text.)

[(e)](f) (No change in text.)

[(f)](g) At each participating institution[with an open admissions policy], the campus EOF administrator/ director shall make the final determination on admitting students to the EOF program and awarding EOF Article III grants.

9A:11-4.5 Recruitment and admissions.

(a) (No change.)

(b) Each participating public institution shall enroll at least 10 percent of its entering fall full-time freshmen through the EOF program; independent institutions are encouraged to meet this goal. The percentage shall be calculated from the number of EOF freshmen in a given fall semester and the number of full-time first-time New Jersey residents in the previous fall's freshman class. Students who are counseled at entrance to pursue a part-time courseload and receive an Article III part-time student grant shall be counted in calculating an institution's EOF fall freshman percentage.

(c) Each participating institution shall annually develop and implement a plan to recruit, identify, and select potential students for the EOF program. This process/procedure shall be subject to audit by Commission/EOF staff at any time. The plan shall focus primarily on identifying a significant pool of potential students who meet the student eligibility criteria in N.J.A.C. 9A:11-2.2 and the financial eligibility criteria defined in N.J.A.C. 9A:11-[2.4]2.3. The plan also shall establish a priority selection process that includes a waiting list, as well as appeal procedures for EOF freshman, transfer, and readmit applicants.

(d) (No change.)

9A:11-4.6 Criteria for admission

(a) Each institution shall develop clearly defined criteria for the admission of students into the EOF program. Such criteria shall be consistent with the EOF mission, scope, purpose, student eligibility, and student transfer procedures in N.J.A.C. 9A:11-1.3, 1.4, 2.1, 2.2, [2.4]2.3 [and], 2.12 and 5.4(b). Such criteria shall be available to secondary schools and community organizations in the recruitment region.

(b) (No change.)

9A:11-4.8 Eligible program support components

(a) (No change.)

(b) [Each participating institution shall provide administrative support for the efficient operation of the campus EOF program.

(c)]Each participating institution shall structure activities that provide educational enrichment for EOF students, improve their academic performance, [and]promote their retention and progress toward graduation, and acknowledge their academic success and leadership development within the period of program eligibility and the institution's academic standards.

These activities shall include but are not limited to:

1.-3. (No change.)

4. EOF advisement/counseling: Each institution shall provide advisement/counseling programs designed to[help] place students in the appropriate courses for their desired degree program and to help them realize their educational, career, and personal goals;

5.-8. (No change.)

9. Student leadership development: Each institution shall provide programs designed to foster cultural diversity, racial harmony, civic engagement, social responsibility, and the improvement of human relations. The program design may include developing conflict resolution and empowerment skills, as well as an understanding of the responsibilities leaders must assume; and

10. (No change.)

[(d)](c) The combination of all services listed in [(c)](b) above should facilitate and promote the academic success of students and develop knowledge and skills commensurate with those of the regular student population. The institution, in cooperation with the campus EOF administrator/director, shall establish minimum standards for the campus program and develop processes to evaluate the effectiveness of each program component.

9A:11-4.9 Experimental programs

(a) The Board may authorize the EOF Executive Director to work with institutions, other agencies of State government, or external consultants to develop new initiatives to improve the efficiency and delivery of service to students. The Board also may solicit or consider proposals from institutions to support technology, research, or developmental projects to increase program effectiveness and encourage innovative practices. The Executive Director of EOF, upon the approval of the Board, is authorized to grant awards or contracts for such projects. Experimental areas may include, but are not limited to, projects that would:

1. Increase student preparation for and/or placement in careers where disadvantaged populations traditionally are underrepresented;

2.-4. (No change.)

(b)-(e) (No change.)

SUBCHAPTER 5: SUMMER PROGRAM

9A:11-5.1 Scope

This subchapter governs the development and maintenance of the summer program. The goal of the summer program is to introduce initial students to the academic and social demands of college life, as well as prepare them for[matriculation] transition into the fall semester. Summer programs may also provide support for renewal students to maintain academic sequence and/or participate in enrichment programs to enhance their academic performance and/or improve their preparation for majors/careers where disadvantaged students are underrepresented.

9A:11-5.4 Student eligibility

(a) (No change.)

(b) [All students shall]Based upon an assessment of students' preparation and readiness for collegiate study, institutions may require eligible students to participate in a prefreshman summer program as a condition of their admission and/or eligibility to receive EOF grants and support services during the academic year. Institutions may permit EOF freshmen to enroll without attending the summer program but shall provide, during the academic year, alternative activities for such students consistent with the provisions of N.J.A.C.9A:11-5.1 and the criteria in N.J.A.C. 9A:11-5.3.

(c) (No change.)

SUBCHAPTER 6: OPERATIONAL PROCEDURES FOR ACADEMIC YEAR AND
SUMMER ARTICLE III STUDENT GRANTS AND ARTICLE IV PROGRAM SUPPORT
SERVICES FUNDS

9A:11-6.1 Renewal application process for Article III student grants and Article IV program support funds

(a) The EOF Executive Director shall [distribute]annually [to] inform all participating colleges and universities [a standard application form, which each institution shall complete and submit to request renewal funding]about the availability of EOF Article III undergraduate and graduate student grants and Article IV program support grants for the academic year and the summer program, as well as all policies and procedures that will be used to distribute the anticipated appropriation based on the Governor's recommendation.

(b) [Each applicant institution's completed form shall include a budget request for funding that reflects the institution's monetary commitment to the campus EOF program, along with a mission statement for the campus program; up to five long-term, measurable goals; desired outcomes; and a timeline to improve the campus program's overall student performance.] In accordance with the Governor's annual funding recommendation to the Legislature, the Board shall determine annually, preliminary funding allocations for the next fiscal year for each institution that received EOF funds during the previous fiscal year.

(c) [Each application shall include the written endorsement of the campus EOF administrator/director and the president or his or her designee.]The EOF Executive Director shall provide to each participating institution, in writing, notification of the preliminary allocations specifying the funding level and any stipulations regarding the conduct of the program or the disbursement of funds.

(d) [The EOF Executive Director shall review each application for compliance with this chapter and develop, for Board approval, funding recommendations for each application.]Each participating institution must complete a contract budget for funding that reflects the institution's monetary commitment to the campus EOF program. In addition, a mission statement for the campus program, as well as up to five long-term measurable goals, desired outcomes, and a time-line to improve the campus program's overall student performance must be included as part of the contract.

(e) [The Board shall determine annually, in accordance with the Governor's annual funding recommendation to the Legislature, funding allocations for the next fiscal year for each institution. The EOF Executive Director shall provide to each, in writing, preliminary notification of the allocations, specifying the funding level and any stipulations regarding the conduct of the program or the disbursement of funds.

(f)]An institution shall have the authority to manage its EOF summer student enrollment within the approved Article III and Article IV summer program allocation and to manage its academic year undergraduate and graduate student enrollment within the approved Article III and Article IV academic year allocation.

[(g)] (f) (No change.)

[(h)] (g) The EOF Executive Director on behalf of the Board shall execute a [project]program contract with the president of each participating institution in accordance with the final EOF funding level(s) contained in the annual appropriation act.[; the] The contract shall include any special provisions or limitations of the EOF funding and a statement of intent to comply with all program regulations and the master contract.

(h) Based on an institution's annual academic year EOF Article III allocation, student grant funds shall be awarded to eligible students in the following priority order:

1. Renewal students who were funded during the previous academic year;
2. First-time, full-time freshmen;
3. EOF transfer students who received an EOF student grant at their previous institution, in the preceding academic year;
4. Renewal students readmitted or returning who did not receive funding the prior academic year; and
5. Eligible students who do not fall into any of the other four categories listed above.

9A:11-6.2 Application process for new institutions to participate in the EOF program

(a) Institutions of higher education that wish to participate in the EOF program for the first time shall be licensed by the New Jersey Commission on Higher Education and accredited by an accrediting body recognized by the U.S. Secretary of Education and shall submit to the EOF Executive Director a letter of intent and a plan that includes the following information:

- 1.- 2. (No change.)
3. A description of the processes for delivery of the student services outlined in N.J.A.C. 9A:11-4.3, 4.4, 4.5, 4.6, 4.7 and 4.8; and

4. A (No change.)

(b)-(d) (No change.)

9A:11-6.3 Use of Article III grant funds

(a) EOF Article III academic year funds are allocated as semester grants per student and shall be applied toward student's educational costs only. Such costs shall include whatever constitutes the participating institution's educational budget and may include tuition, fees, room and board, books, required educational materials and supplies, transportation and child care.

(b)-(c) (No change.)

9A:11-6.10 Restrictions on use of Article IV program support funds

(a) Article IV program support funds shall not be used for the following items:

1.-2. (No change.)

3. Indirect expenses (such as space, heat, lights, postage, and telephone) that exceed 10 percent of the total [program costs]academic year Article IV allocation;

4.-5. (No change.)

6. [Any fringe]Fringe benefits for 12-month EOF staff at public senior institutions[and, for 12-month EOF staff at community colleges and independent institutions, fringe benefits that exceed 21 percent of the salaries and wages paid by EOF funds];

7. Fringe benefits in excess of 21 percent of the salaries and wages paid by EOF funds for 12-month EOF staff at community colleges and independent institutions;

[7.] 8. (No change in text.)

[8.] 9. (No change in text.)

[9.] 10. Lobbying, [P]artisan political contributions, and/or fund raising activities; or

[10.] 11. (No change in text.)

9A:11-6.13 Procedures regarding academic probation

(a) (No change.)

(b) Each participating institution shall have procedures to notify the campus EOF administrator/director about program participants placed on academic probation and dismissal. EOF staff shall conduct [a personal interview with]an assessment of [each such EOF] these student's overall academic performance and require the student's participation in such support programs as may be appropriate.

(c) (No change.)

9A:11-6.14 Recordkeeping and data collection

(a) Data collection is essential to identifying target populations and developing admissions criteria, as well as designing program services, monitoring student progress, determining the effectiveness of program activities, and documenting outcomes. Each campus EOF program should have access to state of the art hardware/software capabilities, as well as management information systems and research staff. Data to support recruitment and admissions shall include, at a minimum, each student's:

1.-6. (No change.)

7. Standardized test scores, such as SATs, basic skills assessments [;], ability to benefit;

8. High school transcript (rank, coursework, and type of diploma) and college transcript;

9. Other educational experience records (such as GED, transfers); [and]

10. Renewal status[.]; and

11. Historical poverty code.

(b)-(e) (No change.)

9A:11-6.15 Program improvement and evaluation process

(a) (No change.)

(b) The EOF Executive Director will annually provide each participating institution with both quantitative and qualitative performance indicators that the Board has adopted as [benchmarks of]satisfactory program outcomes.

(c) The following indices shall be used to determine the effectiveness of campus EOF programs and their compliance with this chapter:

1. (No change.)

2. Program outcomes including:

i.-ii. (No change.)

iii. Enrollment through the program of at least 10 percent of the full-time first time New Jersey residents in the institution's freshman class, as specified at N.J.A.C.

9A:11-4.5(b);[and]

iv. The number of EOF community college students who transfer to New Jersey senior institutions;[and]

v. The EOF equity index; and

3. (No change.)

(d) (No change.)

9A:11-6.18 Program noncompliance

(a) Upon an institution's unsatisfactory program evaluation or fiscal audit or its failure to achieve the program outcomes contractually agreed upon, the EOF Executive Director or his or her designee may conduct an inquiry at the institution. The purpose of the inquiry shall be to discuss and investigate the apparent noncompliance with the institutional president, EOF administrator/director, and other appropriate officials.

9A:11-6.20 Program advisory board (PAB)

(a) Each participating institution [-shall] should establish a Program Advisory Board (PAB). The size and method of selection of the PAB shall be at the institution's discretion. Membership may include representatives of its students, faculty, and administration, as well as local citizens who reflect the student population being served by the campus program. The campus EOF administrator/director shall serve ex-officio on the PAB.

- (b) (No change.)

SUBCHAPTER 7: C. CLYDE FERGUSON LAW SCHOLARSHIP

9A:11-7.1 Student eligibility

(a) To be eligible for a C. Clyde Ferguson Law Scholarship (Ferguson Scholarship), a student shall demonstrate that he or she:

1. (No change.)

2. Is from a disadvantaged background, as demonstrated by inclusion in at least one of the following categories:

i. Meets the requirements of N.J.A.C. 9A:11-[2.4]2.3;

ii.- (No change.)

iii. Is a student who would have been eligible as an undergraduate for a New Jersey EOF Article III student grant (N.J.A.C. 9A:11-[2.4]2.3); or

iv. (No change.)

3. (No change.)

- (b) (No change.)

SUBCHAPTER 8: MARTIN LUTHER KING PHYSICIAN-DENTIST SCHOLARSHIP PROGRAM

9A:11-8.1 Student eligibility

(a) To be eligible for a Martin Luther King Physician-Dentist Scholarship (King Scholarship), a student shall demonstrate that he or she:

1. (No change.);
2. Is from a disadvantaged background, as demonstrated by the inclusion in at least one of the following categories:
 - i. Meets the requirements of N.J.A.C. 9A:11-[2.4]2.3;
 - ii. (No change.)
 - iii. Is a student who would have been eligible as an undergraduate for a New Jersey EOF Article III student grant (N.J.A.C. 9A:11-[2.4]2.3); or
 - iv. (No change.)
3. (No change.)